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Agenda item 87

Reduction of military budgets

Report of the First Committee

Rapporteur: Mr. Archil **Gheghechkori** (Georgia)

I. Introduction

1. The item entitled:

"Reduction of military budgets:

"(a) Reduction of military budgets;

"(b) Objective information on military matters, including transparency of military expenditures"

was included in the provisional agenda of the sixty-sixth session of the General Assembly in accordance with Assembly resolutions 35/142 B of 12 December 1980 and 64/22 of 2 December 2009.

2. At its 2nd plenary meeting, on 16 September 2011, the General Assembly, on the recommendation of the General Committee, decided to include the item in its agenda and to allocate it to the First Committee.

3. At its 3rd meeting, on 3 October 2011, the First Committee decided to hold a general debate on all disarmament and international security items allocated to it, namely, items 87 to 106. The general debate on those items was held at the 3rd to 9th meetings, from 3 to 7 and on 10 and 11 October (see A/C.1/66/PV.3-9). The Committee also held 11 meetings, from 12 to 14, from 17 to 21 and on 24 and 25 October, for an exchange of views with the High Representative for Disarmament Affairs and other high-level officials, as well as panel discussions with independent experts and follow-up to resolutions and decisions adopted at previous sessions (see A/C.1/66/PV.10-20). Thematic discussions on the items were held, and draft resolutions were introduced and considered, at the 10th to 20th meetings, from 12 to 14, from 17 to 21 and on 24 and 25 October (see A/C.1/66/PV.10-20). Action on all draft resolutions and decisions was taken at the 21st to 24th meetings, from 26 to 28 and on 31 October (see A/C.1/66/PV.21-24).

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4. For its consideration of the item, the Committee had before it the report of the Secretary-General on objective information on military matters, including transparency of military expenditures (A/66/117 and Add.1) and a note by the Secretary-General transmitting the report of the Group of Governmental Experts on the operation and further development of the United Nations Standardized Instrument for Reporting Military Expenditures (A/66/89 and Corr.1-3).

II. Consideration of draft resolution A/C.1/66/L.35

5. At the 15th meeting, on 18 October, the representative of Germany, on behalf of Albania, Armenia, Australia, Austria, Belgium, Bosnia and Herzegovina, Bulgaria, Canada, Chile, Costa Rica, Croatia, Cyprus, the Czech Republic, Denmark, the Dominican Republic, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Japan, Kazakhstan, Latvia, Liechtenstein, Lithuania, Luxembourg, Mali, Malta, Monaco, Montenegro, the Netherlands, New Zealand, Norway, Peru, Poland, Portugal, the Republic of Korea, the Republic of Moldova, Romania, the Russian Federation, Senegal, Serbia, Slovakia, Slovenia, Spain, Sweden, Switzerland, Thailand, the former Yugoslav Republic of Macedonia, Ukraine, the United Kingdom of Great Britain and Northern Ireland and the United States of America, introduced a draft resolution entitled "Objective information on military matters, including transparency of military expenditures" (A/C.1/66/L.35). Subsequently, Argentina, the Democratic Republic of the Congo, Georgia, Iceland, Liberia and San Marino joined in sponsoring the draft resolution.

6. At the 22nd meeting, on 27 October, the Secretary of the Committee made a statement on behalf of the Secretary-General concerning the financial implications of draft resolution A/C.1/66/L.35.

7. At the same meeting, the Committee adopted draft resolution A/C.1/66/L.35 without a vote (see para. 8).

III. Recommendation of the First Committee

8. The First Committee recommends to the General Assembly the adoption of the following draft resolution:

Objective information on military matters, including transparency of military expenditures

The General Assembly,

Recalling its resolutions 53/72 of 4 December 1998, 54/43 of 1 December 1999, 56/14 of 29 November 2001, 58/28 of 8 December 2003, 60/44 of 8 December 2005, 62/13 of 5 December 2007 and 64/22 of 2 December 2009 on objective information on military matters, including transparency of military expenditures,

Recalling also its resolution 35/142 B of 12 December 1980, which introduced the United Nations system for the standardized reporting of military expenditures, its resolutions 48/62 of 16 December 1993, 49/66 of 15 December 1994, 51/38 of 10 December 1996 and 52/32 of 9 December 1997, calling upon all Member States to participate in it, and its resolution 47/54 B of 9 December 1992, endorsing the guidelines and recommendations for objective information on military matters and inviting Member States to provide the Secretary-General with relevant information regarding their implementation,

Noting that, since then, national reports on military expenditures and on the guidelines and recommendations for objective information on military matters have been submitted by a number of Member States belonging to different geographical regions,

Convinced that the improvement of international relations forms a sound basis for promoting further openness and transparency in all military matters,

Convinced also that transparency in military matters is an essential element for building a climate of trust and confidence between States worldwide and that a better flow of objective information on military matters can help to relieve international tension and is therefore an important contribution to conflict prevention,

Noting the role of the standardized reporting system, as instituted through its resolution 35/142 B, as an important instrument to enhance transparency in military matters,

Conscious that the value of the standardized reporting system would be enhanced by a broader participation of Member States,

Noting that a periodic review of the Standardized Instrument for Reporting Military Expenditures could facilitate its further development and maintain its continued relevance and operation, and recalling resolution 62/13, in which the General Assembly established the Group of Governmental Experts on the Operation and Further Development of the United Nations Standardized Instrument for Reporting Military Expenditures,

Recalling, in that regard, the report of the Secretary-General on ways and means to implement the guidelines and recommendations for objective information

on military matters, including, in particular, on how to strengthen and broaden participation in the standardized reporting system,[1]

Recalling also that the guidelines and recommendations for objective information on military matters recommended certain areas for further consideration, such as the improvement of the standardized reporting system,

Welcoming the report of the Group of Governmental Experts on further ways and means to implement the guidelines and recommendations for objective information on military matters, including, in particular, on how to strengthen and broaden participation in the standardized reporting system,[2]

Noting the efforts of several regional organizations to promote transparency of military expenditures, including standardized annual exchanges of relevant information among their member States,

Emphasizing the continuing importance of the Standardized Instrument under the current political and economic circumstances,

Mindful of the provisions of the Charter of the United Nations, including its Article 26,

1. *Endorses* the report of the Group of Governmental Experts on the Operation and Further Development of the United Nations Standardized Instrument for Reporting Military Expenditures,[2] the recommendations contained therein and the new title of the instrument, namely, the United Nations Report on Military Expenditures;

2. *Calls upon* Member States, with a view to achieving the broadest possible participation, to provide the Secretary-General, by 30 April annually, with reports on their military expenditures for the latest fiscal year for which data are available, using preferably and to the extent possible, one of the reporting forms, including a "nil" report if appropriate, on the basis of recommendations contained in paragraphs 68 to 71 of the report of the Group of Governmental Experts and annex II thereto, or as appropriate, any other format developed in the context of similar reporting on military expenditures to other international or regional organizations;

3. *Recommends* that, for the purpose of reporting by Member States of their national military expenditures in the framework of the Report on Military Expenditures, "military expenditures" be commonly understood to refer to all financial resources that a State spends on the uses and functions of its military forces and information on military expenditures represents an actual outlay in current prices and domestic currency;

4. *Also recommends* the guidelines and recommendations for objective information on military matters to all Member States for implementation, fully taking into account specific political, military and other conditions prevailing in a region, on the basis of initiatives and with the agreement of the States of the region concerned;

5. *Invites* Member States in a position to do so to supplement their reports, on a voluntary basis, with explanatory remarks regarding submitted data to explain

[1] See A/54/298.

[2] See A/66/89 and Corr.1-3.

or clarify the figures provided in the reporting forms, such as the total military expenditures as a share of gross domestic product, major changes from previous reports and any additional information reflecting their defence policy, military strategies and doctrines;

6. *Invites* Member States to provide, preferably with their annual report, their national points of contact, on the basis of annex II and paragraph 72 (*c*) of the report of the Group of Governmental Experts;

7. *Encourages* relevant international bodies and regional organizations to promote transparency of military expenditures and to enhance complementarities among reporting systems, taking into account the particular characteristics of each region, and to consider the possibility of an exchange of information with the United Nations;

8. *Takes note* of the annual reports of the Secretary-General;[3]

9. *Requests* the Secretary-General, within available resources:

(a) To continue the practice of sending an annual note verbale to Member States requesting the submission of their Report on Military Expenditures;

(b) To circulate annually a note verbale to Member States detailing which reports on military expenditures were submitted and are available electronically on the website for military expenditures;[4]

(c) To continue consultations with relevant international bodies, with a view to ascertaining requirements for adjusting the present instrument, with a view to encouraging wider participation, and to make recommendations, based on the outcome of those consultations and taking into account the views of Member States, on necessary changes to the content and structure of the standardized reporting system;

(d) To encourage relevant international bodies and organizations to promote transparency of military expenditures and to consult with those bodies and organizations with emphasis on examining possibilities for enhancing complementarities among international and regional reporting systems and for exchanging related information between those bodies and the United Nations;

(e) To continue to foster further cooperation with relevant regional organizations with a view to raising awareness of the Report on Military Expenditures and its role as a confidence-building measure;

(f) To encourage the United Nations regional centres for peace and disarmament in Africa, in Asia and the Pacific, and in Latin America and the Caribbean to assist Member States in their regions in enhancing their knowledge of the standardized reporting system;

(g) To promote international and regional/subregional symposiums and training seminars to explain the purpose of the standardized reporting system and to give relevant technical instructions;

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[3] A/58/202 and Add.1-3, A/59/192 and Add.1, A/60/159 and Add.1-3, A/61/133 and Add.1-3, A/62/158 and Add.1-3, A/63/97 and Add.1 and 2, A/64/113 and Add.1 and 2, A/65/118 and Corr.1 and Add.1 and 2 and A/66/117 and Add.1.

[4] www.un.org/disarmament/convarms/Milex/.

(h) To report on experiences gained during such symposiums and training seminars;

(i) To provide, upon request, technical assistance to Member States lacking the capacity to report data, and to encourage Member States to voluntarily provide bilateral assistance to other Member States;

(j) To encourage the Office for Disarmament Affairs of the Secretariat, with the financial and technical support of interested States, as appropriate, to continue to improve the existing database on military expenditures with a view to making it more user-friendly and up-to-date technologically and to increasing its functionality;

10. *Encourages* Member States:

(a) To inform the Secretary-General about possible problems with the standardized reporting system and their reasons for not submitting the requested data;

(b) To continue to provide the Secretary-General with their views and suggestions on ways and means to improve the future functioning of and broaden participation in the standardized reporting system, including necessary changes to its content and structure,

11. *Recommends* the establishment of a process for periodic reviews, in order to ensure the continued relevance and operation of the Report on Military Expenditures and that another review of the continuing relevance and operation of the Report be conducted in five years;

12. *Decides* to include in the provisional agenda of its sixty-eighth session the item entitled "Objective information on military matters, including transparency of military expenditures".